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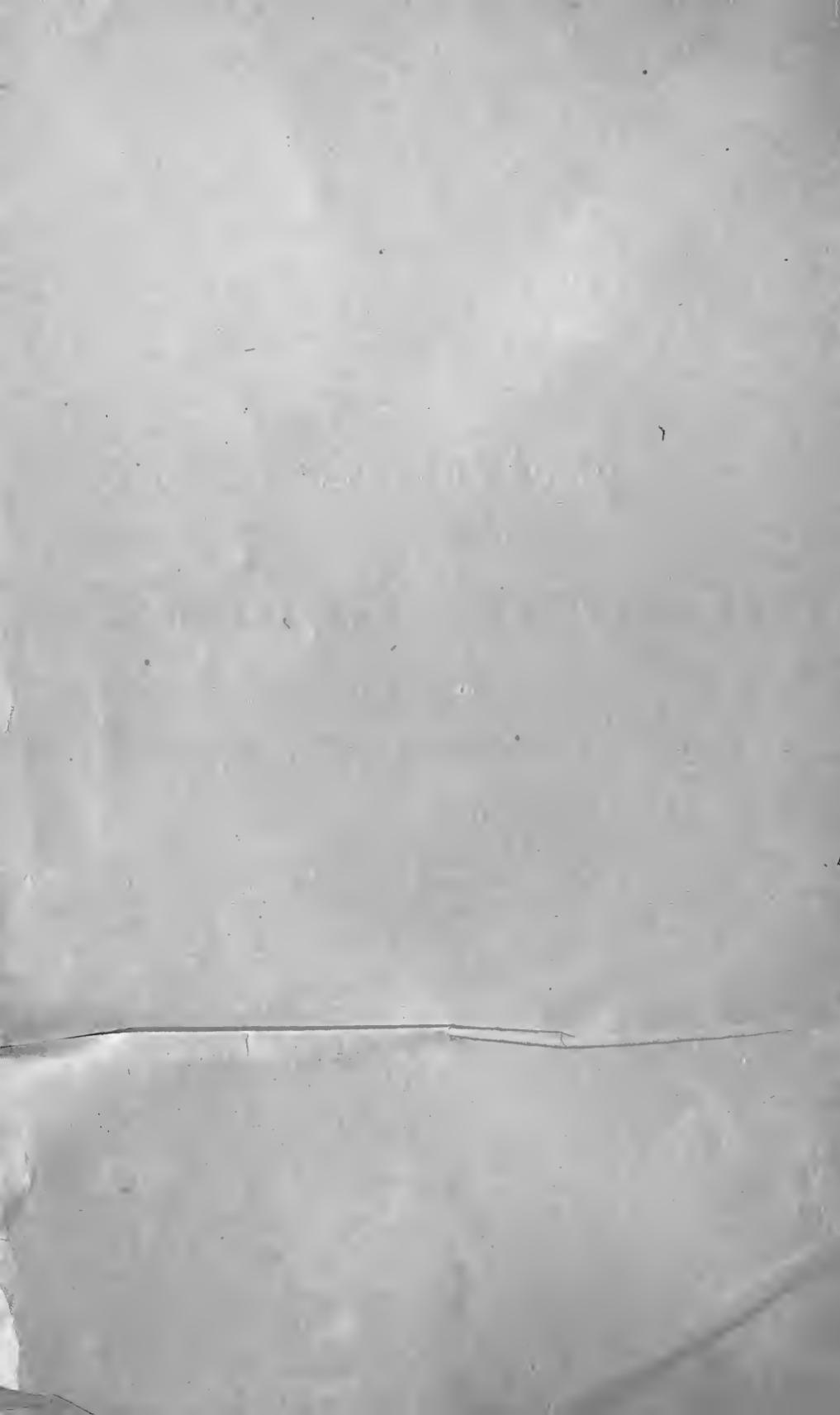
THE SECRETARY OF THE TREASURY

TO

PAY CLAIMS FOR THE PROCEEDS OF CERTAIN COTTON;

AND

INSTRUCTIONS TO AGENTS OF THE TREASURY DEPARTMENT CONCERNING
THE COLLECTION OF ABANDONED, CAPTURED, AND
SURRENDERED PROPERTY.



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ACT OF CONGRESS.

AN ACT making appropriations to supply deficiencies in the appropriations for the service of the Government for the fiscal year ending June thirty, eighteen hundred and seventy-two, and for former years, and for other purposes.

SEC. 5. That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to the lawful owners, or their legal representatives, of all cotton seized after the thirtieth day of June, eighteen hundred and sixty-five, by the agents of the Government unlawfully and in violation of their instructions, the net proceeds, without interest, of the sales of said cotton actually paid into the Treasury of the United States: *Provided*, That the receipt thereof shall be taken and received in full satisfaction of all claims against the United States for or on account of the seizure of said cotton; and a sufficient sum for such payment is hereby appropriated out of any money in the Treasury not otherwise appropriated: *And provided further*, That the foregoing provisions shall not apply to any claim now pending before the Court of Claims, nor to any claim not filed in the Treasury Department within six months after the passage of this act; and the sum of twenty thousand dollars is hereby appropriated for the payment of the necessary expenses of defending the United States in respect to claims for said proceeds, to be expended under the direction of the Secretary of the Treasury.

Approved May 18, 1872.

APPOINTMENT OF SPECIAL AGENT TO COLLECT COTTON OF CONFEDERATE STATES.

TREASURY DEPARTMENT,
May 8, 1865.

It having been represented to this Department that there are in the counties of Lowndes, Monroe, Oktibbeha, and Noxubee, in the State of Mississippi, large quantities of cotton purchased by and now held on account of the so-called Confederate States government, and that the fact of such purchase can be fully established, and the cotton identified, Mr. Harrison Johnston is hereby appointed an assistant special agent of the Treasury Department to receive and collect the same in the counties above named, and to forward it to agents of the Department at Memphis, or Mobile, as in his judgment is best for the interests of the Government. All officers and persons in the service of this or other Departments of the United States Government are requested to give him all aid and facilities in their power to enable him to carry out the purposes of this appointment.

HUGH McCULLOCH,
Secretary of the Treasury.

CIRCULAR LETTER

OF

INSTRUCTIONS TO OFFICERS OF THE TREASURY DEPARTMENT,

RELATIVE TO

COMMERCIAL INTERCOURSE, CAPTURED, ABANDONED, AND CON-
FISCABLE PROPERTY, FREEDMEN, ETC.

TREASURY DEPARTMENT, June 27, 1865.

The various rules and regulations heretofore prescribed by the Secretary of the Treasury, in regard to the above-named subjects, having been rendered nugatory in whole or in part by the changed condition of affairs in the Southern States and Executive orders and proclamations, and the War Department having assumed charge of freedmen, abandoned lands, &c., under the provisions of the act of Congress approved March 3, 1865, the following instructions as to the duties of officers of the Treasury Department in the premises are prescribed, and will be regarded as in full force and effect immediately on the receipt thereof by any officer whose action is in anywise affected thereby:

1. All restrictions on commercial intercourse in and with States and parts of States heretofore declared in insurrection, and on the purchase, transportation, and sale of the products thereof, are removed; *except* as to the transportation thereto or therein of arms, ammunition, articles from which ammunition is made, gray uniforms, and gray cloth; and *except, also*, those relating to property heretofore purchased by the agents or captured by or surrendered to the military forces of the United States. Nor will any fees or taxes be charged or collected except those imposed by the customs and internal revenue laws. And the supervision necessary to prevent the shipment of the prohibited articles will be exercised only by the regular and ordinary officers of the customs, acting under the revenue laws of the United States.

2. Subordinate officers discharging duties in regard to commercial intercourse; under the regulations referred to, will consider their official connection with this Department as terminating with the 30th instant, without further notice.

3. Agents for the purchase of products of insurrectionary States on Government account will close their official business, east of the Mississippi, with the transactions of the 13th instant; and west of it, with the transactions of the 24th instant; returning to sellers all property or money received or collected since those dates, respectively, and using such dispatch in the premises that their connection with the Department may, if possible, terminate with the 30th instant.

4. Officers of this Department charged with the duty of receiving and collecting, or having in their possession or under their control captured, abandoned, or confiscable personal property, will dispose of the same, in accordance with regulations on the subject heretofore prescribed, at the earliest time consistent with the public interests, and will refrain from receiving such from military or naval authorities after the 30th instant. This will not be construed, however, as interfering with the operations of the agents *now* engaged in receiving or collecting the

property recently captured by or surrendered to the forces of the United States, whether or not covered by or included in the records, &c., delivered to the United States military or Treasury authorities, by rebel military officers or cotton-agents. Those so acting will continue to discharge the duties thus imposed until such property is all received or satisfactorily accounted for, and until the amount so secured is shipped or otherwise disposed of under the regulations on the subject heretofore prescribed. And they will use all the means at their command, with the utmost vigor, to the end that all the property so collected, captured, or turned over shall be secured to the United States with the least possible cost and delay.

After the 30th instant, the duty of receiving captured and abandoned property not embraced in the above exception will be discharged by the usual and regular officers of the customs, at the several places where they may be located, in accordance with regulations relating to the subject; and officers heretofore performing that duty will give them all the aid and information in their power to enable them to carry out the same.

5. Officers of this Department charged with the care or supervision of, or having in their possession or under their control, any abandoned or confiscable lands, houses, and tenements, will turn them over to a duly authorized officer of the Bureau of Refugees, Freedmen, and Abandoned Lands, so far as they may be required or demanded by the same, together with all moneys, books, records, and papers arising from or relating to the property so turned over, taking proper receipts or vouchers therefor. This rule will also govern the action of all agents of this Department connected in any way with the care of freedmen, &c., so far as it may be applicable.

And all persons asking for any information in regard to the property so turned over, or for the release of the same, or for the release of any proceeds or moneys arising therefrom, will be referred to the Commissioner of Refugees, Freedmen, and Abandoned Lands, at Washington, to whom communications on the subject should be addressed.

6. Officers of this Department having in their possession or under their control any moneys whatever arising from fees collected under the commercial intercourse regulations, (except those collected for the benefit of freedmen, which will be disposed of under section 5,) or from the sales of captured, abandoned, or confiscable personal property, will forthwith deposit the same with the nearest assistant treasurer, designated depositary, or deposit bank, (keeping the amounts from the different sources separate,) to the credit of H. A. Risley, esq., supervising special agent, &c., taking therefor receipts in quadruplicate—which receipts must show whence the sums were received—one of which will be retained by the officer so depositing, one forthwith sent to the Secretary of the Treasury, one to the Commissioner of Customs, and one to Mr. Risley, at Washington.

7. All officers above referred to, except proper officers of the customs, acting exclusively under the revenue laws, will, after they have closed their official business, as above directed, and sold at auction, to the highest bidder, the furniture and property remaining on hand, and accounted for the proceeds of the same, forthwith systematically arrange the books, records, papers, &c., of their late office, that they may easily be referred to and examined, pack them in secure and water-proof boxes, and forward the same, so marked as to indicate their contents, together with their respective resignations, addressed to the Secretary of the Treasury, Washington City.

HUGH McCULLOCH,
Secretary of the Treasury.

INSTRUCTIONS
CONCERNING THE
COLLECTION OF ABANDONED, CAPTURED, AND SURRENDERED PROPERTY,
ISSUED SUBSEQUENT TO JUNE 30, 1865.

CIRCULAR TO SUPERVISING AND ASSISTANT SPECIAL AGENTS.

TREASURY DEPARTMENT,
July 22, 1865.

It has come to the knowledge of this Department that large contracts have been made by some of its agents with various persons for the collection of abandoned or captured or surrendered cotton, authority being generally or in many instances given to the contractors to discover and collect all such cotton within a certain district. While such contracts have been, to some extent, contemplated or authorized by previous regulations, such action now is not in conformity with the spirit or intention of the Executive proclamation relating to the subject; and if any contracts of that character have been made by you, operations under them should be suspended and closed up at once.

Where agents have not adequate facilities for these purposes at their own command, and the public interest would be prejudiced by delay, no objection exists to the making by them of contracts with reputable and responsible persons, on reasonable and proper terms, for the collection, putting in order, and transportation to points accessible for shipment by rail or water, of certain specific lots of cotton known to the agent, the locality, quantity, and description of which should be fully and accurately stated in each case; but, in view of the manifest evils likely to result from such steps, no arrangement will be sanctioned which contemplates the scouring of any given portions of the country for property of the character herein referred to by persons who are not bonded officers of this Department.

As stated above, any existing contract, heretofore made by you, not in conformity with the spirit of these instructions, must be at once modified or closed up, and your future action shaped accordingly.

Respectfully,

H. McCULLOCH,
Secretary of the Treasury.

TREASURY DEPARTMENT,
August 4, 1865.

SIR: It is expected that you will collect *all* cotton, noted on the records of the rebel agents as belonging to the so-called confederate government, and leave all claims thereto to be decided by the Court of Claims, as the law directs.

Respectfully,

H. McCULLOCH,
Secretary of the Treasury.

HARRISON JOHNSTON, Esq.,
Assistant Special Agent, Columbus, Mississippi.

CIRCULAR.

TREASURY DEPARTMENT,
August 12, 1865.*To Supervising and Assistant Special Agents :*

For the more expeditious collection of captured, abandoned, and surrendered Government property, the limits of the first special agency as described in the Treasury regulations, series of July 29, 1864, are hereby extended so as to comprise all that part of the State of Georgia lying north and west of the counties of Early, Calhoun, Dougherty, Worth, Dooly, Pulaski, Laurens, Johnson, Jefferson, and Richmond, together with the counties herein named; also, all that part of the State of Alabama, lying north of the counties of Sumter, Marengo, Dallas, Lowndes, Montgomery, Macon, and Russell, together with the counties herein named.

All Treasury agents within the described territory will be subordinate to and receive instructions from Joseph R. Dillin, supervising special agent, first special agency; it being understood that Mr. Dillin shall not interfere with any cotton therein already collected under authority of other supervising special agents.

H. McCULLOCH,
Secretary of the Treasury.

RULES GOVERNING THE COLLECTION OF CAPTURED COTTON.

TREASURY DEPARTMENT,
August 18, 1865.

The irregularities, confusion, and conflict growing out of the collection and movement of captured cotton without an organized system of action governing the whole subject, renders an immediate reform necessary. I have therefore determined to establish the following rules, governing the first, second, third, fourth, eighth, and ninth agencies:

1st. All requirements of the regulations concerning captured and abandoned personal property, series of July 29, 1864, will be strictly observed by all agents engaged in collecting and forwarding captured cotton, except as hereinafter modified.

2d. Each agent appointed by me to collect captured cotton will, as soon as practicable after receipt hereof, report in person to the supervising agent of the agency in which he is operating for assignment to duty, and will be directed by him in all his official action.

3d. All instructions from this Department to assistant agents will be given only through the proper supervising agents.

4th. Supervising agents are hereby authorized to make provisional appointments of assistant agents to collect captured cotton in all cases where the public interests will be promoted thereby, subject to my approval.

5th. Each assistant agent will make all shipments of cotton collected by him to such supervising agent as he shall be directed to forward to by the supervising agent assigning him to duty, and he will take duplicate receipts for each lot from the supervising agent to whom the same is shipped, one of which he will retain and the other he will forward to me. Supervising agents will in all cases forward or cause to be forwarded to market all cotton collected, by the most expeditious and economical route from the point of collection.

6th. Supervising agents will not collect directly nor make any contract for collecting, but will receive and forward to Simeon Draper, cotton-

agent, New York, until otherwise ordered, all that shall be sent to them by assistant agents, and will give duplicate receipts for each lot, as above indicated.

7th. Each assistant agent will be assigned to duty in a well-defined district by the proper supervising agent, and will therein make contracts, in all cases where it can be done, with the planter or other person in whose custody the captured cotton shall be found, to prepare in proper packages and condition for transportation, and deliver the same at such place of shipment as shall be agreed upon.

The terms of these contracts, when made with planters having custody of the cotton, should be sufficiently liberal to insure fair compensation to them, and to encourage good feeling on their part. Each contract must be made in writing, and be for the delivery of a specific lot at a designated place, and be made subject to the approval of the supervising agent under whom he is acting. Compensation must be made under such contracts out of the cotton delivered upon them, and must be made only by the supervising agent who receives the cotton.

8th. In any case where cotton or other property is moving in the hands of private parties which a supervising agent has satisfactory reason to believe was captured from the late so-called confederate government, and has been stolen or otherwise wrongfully taken, he will detain the same and examine fully into the case, and if he shall be satisfied by the proofs submitted that the property was so captured, then he shall seize and forward it as captured property; but if he shall be satisfied that it was not so captured, then he will release it to the party from whom it was taken. Agents shall make a full report to this Department of each case, including the testimony. An assistant agent will in no case make a seizure of property moving in the hands of private parties, but will inform the proper supervising agent of any facts within his knowledge to show that it has been stolen or otherwise improperly taken; and in case such information results in the seizure and detention of such property, it shall be regarded as collected by the agent giving such information.

9th. Agency lines will be regarded as heretofore established by the regulations, except when the same are changed by me, or as herein-after provided, and each supervising agent will confine his action to the agency for which he is appointed, and each assistant agent will confine his action to the district to which he is assigned by the supervising agent.

10th. All supervising and other agents engaged in collecting and forwarding captured cotton will be subject to the direction and control of the general agent, who is hereby authorized and directed, in cases where he shall think the public interests require it, to suspend the official action of any supervising or other agent, and temporarily to appoint another to perform his duties; to revoke any contract improperly made or being improperly executed; to change the lines of agencies, and generally to do, pursuant to the regulations and these instructions, what he shall regard as best for the public interest in the premises, subject to the approval of the Department.

It is expected, unless under special circumstances to be determined by the supervising agent, that no more territory will be embraced within a district than the assistant agent assigned to duty in it will be able to attend to personally without the appointment of sub-agents.

It is also expected that each supervising agent will keep moving throughout the agency under his charge, personally observing and directing the operations of the assistants by him assigned to duty therein.

It is desired that the captured cotton be secured and forwarded as expeditiously as possible, and that in doing it private interests shall be interfered with as little as possible.

All cotton so collected will, until otherwise directed, be forwarded to Simeon Draper, cotton-agent, New York, and the supervising agent forwarding the same will accompany each shipment with a statement to the cotton-agent, describing each lot making up such shipment, the marks thereof, and the name of the assistant agent who collected it.

All money required by the supervising agents to defray necessary expenses in collecting will be sent upon their estimates therefor, made to me on the first of each month.

H. McCULLOCH,
Secretary of the Treasury.

TREASURY DEPARTMENT,
September 27, 1865.

SIR: Application is frequently made to me for the suspension of proceedings in relation to or the restoration of cotton claimed as the property of certain corporations or organizations entitled, "Exporting and Importing" companies, or similarly named, heretofore existing in the late so-called Confederate States. I have so far declined to act as requested in any of these cases, but the frequency of the applications, and the magnitude of the interests involved, seem to render necessary some general rule for the government of agents in the premises.

From the titles, as well as from what is known of the operations of these companies, it is evident that they were mere auxiliaries to the so-called confederate government in its efforts to subvert and overthrow the Government of the United States, and that the property owned by them was used and intended to be used for that purpose, though individual gain may in some instances or to some extent have actuated their managers. From the very nature of things, and the circumstances by which they were surrounded, that must have been the prime object of their existence.

Whenever, therefore, any property, owned or claimed by one of these blockade-running companies, is found within your agency, you will take charge of and treat it as property which was used to aid the rebellion, and therefore belonging to the United States by the right of capture, keeping in all cases the record required by regulation IV, series of July 29, 1864, concerning captured and abandoned property.

This is intended to apply only to such property of the class named as may have been collected and kept together as the property of such companies, and is not intended to authorize agents to search for on different plantations, and to seize small and scattered lots said to have been purchased for or by such companies, but which has not been collected by them in distinctive lots, and so held.

As operations under this letter are limited to large lots collected together, it is manifest that their shipment would be attended with but little expense, and contracts for the collection and transportation of such cotton should not be made with private parties as are authorized in other cases.

The President relies upon you to discharge this duty so as to fully protect the interests of Government without violating or prejudicing private rights, and expects you to give it your personal attention.

Respectfully,

H. McCULLOCH,
Secretary of the Treasury.

TREASURY DEPARTMENT,
October 20, 1865.

SIR: I have received your letter of the 10th instant, calling my attention to the subject of collecting cotton which was subscribed to what was known as the "Produce Loan of the Confederate States," and giving me your general views in relation to it.

The Department does not concur fully in the views entertained by you. The rule it has adopted is, that where the descriptive lists of property owned by the late so-called Confederate States, captured from or surrendered by its military or civil agents, show property owned or controlled by it, such property, if found as stated, should be collected and forwarded by agents of this Department, leaving all questions of right, title, or value of consideration received, to be adjusted by the Court of Claims, to which claimants of said property are referred by the act of Congress on the subject. The same rule will be regarded as also applying to any property which had been owned or controlled by the late so-called Confederate States government, or which was used, or intended to be used by that organization, or by an organization of private individuals co-operating with it for the purpose of carrying on war against, or overthrowing the Government of the United States, even though such property may not have been included in or covered by the descriptive lists above referred to. In taking charge of property of this class great care and discretion should be used by agents, to the end that the rights of individuals be not interfered with, or the property of unoffending persons taken from them.

* * * * *

Very respectfully,

HUGH McCULLOCH,
Secretary of the Treasury.

JOSEPH R. DILLIN, Esq.,
Supervising Special Agent.

TREASURY DEPARTMENT,
November 21, 1865.

To all *Supervising Special Agents:*

For the information and government of officers of the Treasury Department connected with the collection of captured and abandoned property, the following rules are prescribed, and will be promptly and fully carried out:

1. Hereafter no cotton claimed or recorded by the late so-called Confederate States government as "tithe cotton" or taxes, and which has not been delivered to it or its agents, but remains in the hands of the person assessed, will be taken or collected as captured property.

2. In no case can the title given by or derived from the late so-called Confederate States government be regarded as valid by officers of this Department; and cotton in the possession of, or claimed by persons under any sale or transfer made by such government will be treated as captured property, belonging to the United States.

3. In cases where cotton formerly belonging to the so-called confederate government has been purchased, and is held by persons alleging that the same was purchased for the purpose of delivering it to agents of this Department authorized to purchase the products of insurrectionary States on Government account, in pursuance of contracts made

with such agents, it will be taken by agents of this Department, and treated as captured property.

Persons claiming such property will be advised that, upon presenting to the Secretary of the Treasury any claims they may have in the premises, contracts made by them with the purchasing agents will be respected, and parties who have acted in good faith in the execution of such contracts will be protected.

4. Hereafter agents forwarding captured cotton will take measures to insure the same while in their possession or in transit from the place of shipment to New York, being careful to make such insurance in reliable companies, and on the most favorable terms possible to Government.

5. In cases where agents have been appointed since the 18th of August last, or shall be hereafter appointed, the commissions of such new agents shall not extend to cotton collected and stored by their predecessors.

Supervising special agents will see that these instructions are at once communicated to all persons acting under and with them, and strictly complied with.

H. McCULLOCH,
Secretary of the Treasury.

TREASURY DEPARTMENT,
January 23, 1866.

SIR: I have received your letter of the 9th instant, relative to my telegram of the 8th, directing that "all cotton voluntarily subscribed" (to the so-styled Confederate States government) "should be collected wherever found," and note your inquiries and suggestions on the subject.

In the view of the matter taken by the Department, it is held that the act of a person in selling or subscribing property to the insurgent organization is a dedication of it to the purposes of the rebellion, to be used in subverting and overthrowing the lawfully constituted Government, whereby it is forfeited thereto, and the title lost to the person so selling or subscribing; and it is not considered that any subsequent payment of money in satisfaction of such a subscription of property will remove the taint or forfeiture so attaching. The property itself is offending, and should be taken wherever found.

The United States does not base its claim to such property as the assignee or successor-in-law of the so-styled Confederate States government. In fact, this Government denies that that organization, as a government or body-corporate, could lawfully acquire, possess, or convey any description of property. As an established Government, the United States, under the law of nations and the acts of Congress, has the right to seize and apply to its benefit all property which was used to subvert its authority, or which has been voluntarily contributed or dedicated to such use or purpose by the owner.

On this theory you will act as directed in my telegram above referred to, and direct the action of those under you accordingly, and you and they will be sustained therein by the Department.

Very respectfully,

H. McCULLOCH,
Secretary of the Treasury.

WILLIAM P. MELLEN, Esq.,

General Agent of the Treasury Department, New Orleans, La.

12 ABANDONED, CAPTURED, AND SURRENDERED PROPERTY.

CIRCULAR LETTER TO SUPERVISING SPECIAL AGENTS.

TREASURY DEPARTMENT,
February 23, 1866.

After the receipt of this letter you will neither make, nor cause, nor authorize any seizures or detentions of cotton or other property as captured or abandoned, unless by special written direction in each case from the general agent, or direct from the Department. In any case which may come to your knowledge of property belonging to the late so-called confederate government, where the property is of such amount and so situated, with such clear proofs, as in your judgment to make it important for the Government that it should be secured, you will at once report all the facts (including the evidence, and a statement as to the locality of the property, or the direction in which it is moving) to the general agent, or to the Department, and await instructions on the subject.

Immediately upon receipt hereof you will make a special report to the Department of all lots of cotton or other property now under seizure or detention within your agency, by your authority or direction, or that of any assistant, or sub-agent or contractor, together with all the evidence in relation thereto, retaining such cotton in its then locality and condition, protecting the same from loss or damage, but not rebalancing any cotton, nor placing it in pickery, nor incurring any unreasonable expense on its account. And no shipment, release, or division of the same will be made in any case except by direction of the general agent, or the Department.

You will also immediately terminate all contracts, of whatever nature, for collecting captured or abandoned property now outstanding, within your agency, by your authority or the authority of any assistant or sub-agent, and also terminate at once all further operations under any such contracts, and you will also immediately furnish to the Department a full statement of all such contracts, and of the condition of operations under the same.

You will, as soon as possible, discontinue the services of all assistant and sub-agents within your agency not absolutely required in the immediate closing up of your business; and no compensation will be paid to any agent or employé in your agency longer than ten days after the receipt of this letter, unless, upon special report to the Department, stating the reasons therefor, their further continuance in office shall be authorized.

You will make your arrangements to finally close the business of your office as soon as possible, settling or approving the accounts of your subordinates, and promptly forwarding your own accounts for final settlement.

The receipt of this letter will be acknowledged by telegraph.

Respectfully,

H. McCULLOCH,
Secretary of the Treasury.





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